

SUBJECT: Storefront Improvement Program

TO: Technology, Economic & Community Development Council Committee

FROM: Micah Miranda, Economic Development Specialist (X2218)

Context: The visual appearance of storefronts, signs, parking lots and individual buildings create a sense of place in the community and play an important role in Tempe's economic viability. Buildings which appear rundown and underutilized typically attract credit poor tenants which in turn lower lease rates, resulting in decreased lease tax revenue for the City.

Research: Based upon phone interviews with real estate owners and property managers the following items are of most importance when considering capital improvements to commercial properties:

- Permitting process with the city
- Time commitment
- Return on investment

Model Policy: In review of national and local storefront improvement programs and in consideration current municipal finances the following items highlight the necessary and practical elements of a successful Storefront Improvement Program:

- Store Improvement Marketing Campaign
- Detailed Eligibility Requirements (building use, age, location etc..)
- Simple Application Process
- Inducements Encouraging Storefront Improvements (professional design aid, building and planning fee reimbursement, streamlined permitting and review process)
- Post construction/improvement follow-up tracking lease rate and sales tax changes

Draft Improvements:

Before:



After:

